



# REPORT

ON THE WORKING OF THE

## CO-OPERATIVE CREDIT SOCIETIES

IN THE

## CENTRAL PROVINCES & BERAR

FOR THE YEAR

1908-09



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### Agriculture Department.

*Nagpur, the 3rd December 1909.*

READ—

Report on the working of the Co-operative Credit Societies in the Central Provinces and Berar for the year ending the 30th June 1909.

#### RESOLUTION.

The stage of experiment had already been passed when the report for the year ending 1908 was submitted; but the time of the Registrar himself is much occupied by his duties as Director of Agriculture, and that systematic organization for the control and furtherance of the movement which has already been undertaken in some other parts of India is yet lacking in the Central Provinces and Berar. Mr. Craddock considers that under these circumstances the Registrar was right to content himself with leaving co-operative credit to develop in those districts where he found it already progressing under suitable guidance without attempting to break new ground elsewhere. Still, the record of the year is full of encouragement: 18 new rural societies have been founded in the Jubbulpore and Balaghat districts, and the means of financing the rural societies of Akola, which were languishing for want of funds, has been provided by the establishment of a Central Bank, while evidences are not wanting of a growth of interest in the movement in parts of the Provinces where societies have not yet been established. The Chief Commissioner observes that the amount of working capital per member in rural societies has largely decreased during the year and now stands at only Rs. 24: this is undoubtedly not sufficient to finance the needs of members for productive purposes. The Betul rural societies are the worst offenders in this respect, having largely increased their membership with no appreciable increase of capital. The Chief Commissioner desires that the Registrar should pay particular attention to this question of the proportion of the available capital to the needs of members. When registering a society it is possible to ensure that it shall start at least with sufficient capital to finance all the reasonable needs of its members. So long as the available funds only suffice for a small proportion of the necessities of the members, so that many of them must continue to owe cash or grain to sahukars, the influence of the societies for good must be greatly limited.

2. Experience already gained seems to point to the Schulze-Delitzsch type of Society, with its rapid turnover and attractive dividend, as most suitable for urban and industrial work. On the other hand, the Chief Commissioner is inclined to think that the Raiffeisen system is probably most suited to the rural necessities of the Provinces. But he deprecates any slavish imitation of Western models; the practical details must be worked out and adapted to local requirements. This is the policy that has been pursued in Jubbulpore and Balaghat, where the banks and societies which have been formed, although divergent in type, are yet moulded to the requirements of the people who appreciate and are benefited by them. As Mr. Wolff has said, the most difficult part of co-operative credit organization is the determination of the blend necessary for the particular locality.

3. The failure of the crops in the Betul district coming so soon after the foundation of the rural societies in that district placed them in an awkward position. The directors of the Central Bank were unwilling to call up more capital to finance the new crop, and it became necessary for Government to step in with takavi which was advanced to the banks. The failure of local capital to supply this demand was in this instance due to a crisis supervening before the rural banks had had an opportunity to consolidate their position and establish their credit: elsewhere there has been no indication that with proper organization local capital backed by existing joint stock banks will not be able to supply the demand for a long time to come. A very important feature of the year's work has been the negotiations between the Sihora Central Bank and the Allahabad and Bhargava Banks, which shortly after the close of the year resulted in the provision of a channel through which it is hoped that a part of the large resources of the Allahabad Bank will flow to the rural societies of the Jubbulpore district. Mr. Craddock congratulates the directors of the Sihora Central Bank on the success of their efforts to rouse the interest of joint stock banks in their enterprise.

4. It would appear from paragraph 22 of the Report that the Registrar does not permit societies to use the Reserve Fund in their business: the Chief Commissioner is inclined to agree in the opinion expressed by the last Conference of Registrars that when the Reserve Fund is small, it is better to make use of it in the business of the society in order that a reasonable reserve may be accumulated more quickly.

5. Mr. Craddock has read with interest the suggestions of the Registrar on the subject of federated urban societies, each confined to a craft or caste. The necessity for associations of this nature among the weaver castes has been clearly shown in the enquiry recently instituted into their circumstances in the Bombay Presidency. There is reason to suppose that the circumstances described in Mr. Mehta's report, by which the great majority of the weaver class are practically bondsmen either of the weaver-sahukar or the outside money-lender, exist in these Provinces. The advent of scarcity invariably demonstrates the hopeless financial condition of this class: and the necessity for the considerable financial assistance lately given by the Administration to the weaver population would be obviated almost entirely in a future recurrence of the same conditions, if the caste credit and the caste savings were organized, encouraged and extended on a co-operative basis.

6. Mr. Hemingway has laid down some useful principles on the subject of audit and inspection; and to these Mr. Craddock would add that the efficiency of co-operative audit or inspection cannot be tested by the number of objections raised or mistakes discovered, but rather by the frame of mind in which the officers of the bank or society are left by the auditing or inspecting official.

7. Mr. Hemingway had had no experience of co-operative credit before he took up the appointment of Registrar, and was naturally much handicapped at first by want of special knowledge; but he has applied himself with enthusiasm to his work, and Mr. Craddock is confident that under his guidance the movement will make a substantial advance in the current year. The financial stringency and other causes have hindered the appointment of a whole-time Registrar during the past year, but the Chief Commissioner hopes that it may very shortly be possible to employ a whole-time officer on this work and thus remove an important obstacle to more rapid progress. Mr. Crosthwaite has continued to be the life and soul of the movement in Jubbulpore, and has succeeded in imbuing several of the leading men of that district, notably his principal coadjutor, Pandit Bishan Datta Shukul, B. A., with a large measure of genuine enthusiasm for the cause. R. B. Narain Rao Kelkar, Mr. Mullna, and others have managed the urban society of Balaghat with conspicuous success, and Mr. Dewar and R. B. Anantlal have improved and extended the organization of the rural societies of that district.

Co-operation is destined to play an enormously important part in the social economy of the poorer classes, and Mr. Craddock desires to offer to all who have

assisted during the past year in the development of the movement, the warm congratulations and acknowledgments of the Administration.

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ORDER.—Ordered that a copy of this Resolution, together with the enclosures, be submitted to the Government of India in the Revenue and Agriculture Department, and that copies be forwarded to the Registrar, Co-operative Credit Societies, and to all Commissioners and Deputy Commissioners, Central Provinces, for information and guidance; and that it be published in the Supplement to the *Central Provinces Gazette*.

W. N. MAW,

*Third Secretary to the Chief Commissioner,*

*Central Provinces.*





# REPORT ON THE WORKING OF THE CO-OPERATIVE CREDIT SOCIETIES IN THE CENTRAL PROVINCES AND BERAR FOR 1908-09.

## I.—ADMINISTRATION.

The post of Registrar was held by Mr. Standen up till 2nd November 1908, and by myself from that date till the present time. On the whole the season was favourable for the spread of the co-operative movement : good progress has been made, and the difficulty felt by the Registrar has been, not distrust in the movement, but almost too much natural energy. There can now be no doubt that co-operative credit will flourish in the country ; when once the seed is sown it multiplies at a rapid rate, and to continue the simile the Registrar has now to look very far ahead, to ensure that the crop may be properly harvested, cleaned and put on the market, before he dares to sow the seed by registration. This, in addition to the reasons given in the last annual report, is making the appointment of a wholtime Registrar most desirable. But it is not my intention to swell the pages of this report with more detail than is necessary ; the appointment question has many ramifications, dealing with duties, subordinate staff, and in fact the whole work of organization, and for that reason it is desirable that a separate report on this case be submitted. By the end of December next the results of the last working season will be more manifest, and I will therefore defer this question for a few more months.

2. Mr. Misbahul Osman has worked throughout the year as Assistant Registrar. Besides inspecting and auditing accounts he has given valuable assistance in helping to decentralize and re-organize work where necessary, notably in the Hoshangabad, Betul and Akola districts. The regular audit work has now been undertaken by a paid auditor, Mr. Hardas ; that official has been trained in Local Fund audit ; but until the work of account-keeping is fully understood, his visits to societies will be more for instruction than correction.

3. The above represents the whole of the paid official staff. And however willing and able the workers may be, it is impossible to extend the work freely and break new ground until larger numbers are employed. It is to be trusted that the enthusiasm of enquirers, official and non-official, will not be damped by the delay that occurs in helping to model and start their projects. Delays in this case are not dangerous ; besides oiling and tuning up the engine requires a straight and level track before it can be started with safety.

## II.—SOCIETIES.

4. In addition to the societies in existence at the end of the year preceding, 20 new societies were registered during the year under report : of the new societies 18 are rural ; a Central Bank was opened at Akola and an Urban Bank at Baihar in the Balaghat district. All the new societies are of types that existed previously, but in two districts there has been some slight departure from the models : in Akola a proposal that the new Central Bank should prevent idle capital by a small hundi business with approved saokars was sanctioned ; in Jubbulpore many of the new rural societies have adopted a bye-law compelling members to make small annual deposits. In the case of the Akola Bank it is to be doubted whether the necessity will arise in the immediate future of any departure from strict co-operative work and the addition in Jubbulpore will not be too rigidly enforced. Though these additional societies are but few numerically, they do not represent the actual progress in the spread of the movement during the year. Proposals have been sent in for societies in a new district, Chhindwara : the Chanda district officers are considering the lines on which new societies should be organized in the heavy rice tracts, and perhaps in the Ahiri estate : in Balaghat a number of societies are being organized and some are working tentatively prior to registration while in Jubbulpore at the end of the year the Sehora Bank was exceptionally busy arranging its own credits and at the same time investigating applications for registration from villages which desire to form societies under the parentage of the Sehora Central Bank. In Hoshangabad also an application for registration from a new society was under consideration : but action has, as in Chhindwara, been deferred until some satisfactory scheme for control and finance of small rural societies can be initiated.

### III.—WORKING OF SOCIETIES.

#### Central Banks.

5. The new Central Bank at Akola is of the Sehora or Betul type ; it is an association whose prime object is the supply of funds to Rural Societies in the Akola district : by accepting deposits from these societies it also to some extent relieves them of the danger of idle capital in the future when tenants have learnt to place their spare funds after harvest at the disposal of a society for a few months. This bank did little work during the year : it was registered only at the beginning of the cold weather, and its first business is to investigate existing societies, and decide the credit of each : this matter will take time, for some of the Akola societies have not worked really well, and possibly some re-organization will be necessary before the Central Bank can admit them as debtor members. But since the close of the year the Directors of this bank have asked to call up all their share capital, in order that the bank's own credit may be established in the local market.

The working capital rose during the year from Rs. 32,916-13-3 to Rs. 52,409-3-3½. It is distributed as follows :—

		Rs	a.	p.
Loans from other Co-operative Credit Societies	...	1,000	0	0
Share capital	...	24,425	0	0
Deposits by members	...	16,555	4	11½
Loans from Government	...	1,500	0	0
Other loans	...	8,928	14	4
Total	...	52,409	3	3½

6. The working capital of the Kirnapur Society was nearly Rs. 13,400 at the close of the year : the profits were Rs. 860 falling at nearly 7 per cent. The bank is reported to have made steady progress, and the scheme of decentralization is being completed : 11 of the affiliated societies now keep their own accounts. Though this society has, up to date, done fairly well, it is doubtful whether an organization of this type will ever establish its credit fully and obtain favourable terms from any financier or bank that has no local knowledge. The organization is too ideal : the responsibility of a Rural Society for the loans of other Rural Societies is almost too good to be believed. But the association up till the present has had no difficulty about its funds : and good local credit is after all an exceedingly strong point in favour of any system. The reserve fund has now reached Rs 675.

7. The work of the Sehora Bank increased with great rapidity as the year progressed. The working capital rose from Rs. 6,979 to Rs 13,876, and the bank declared a dividend of 5 per cent at the close of the year. The reserve fund is now Rs. 459. At the end of the year the bank was financing 10 new societies that came into existence during the year, in addition to societies of prior date. Towards the end of the year more applications were received, and at the present time a large number of proposed Rural Societies are being investigated by this bank. It finances societies in the Sehora Tahsil chiefly : but it has also some connection with the four societies of the Murwara Tahsil, and it is probable that in time its transactions will cover the whole of the district. During the year the clerical work of this bank was done by the Muharrir attached to the Court of Mr. Bishnu Dutt Shukal in Sehora : Mr. Bishnu Dutt himself is the Bank Secretary, and the bulk of the work has fallen on his shoulders. But this bank is just now at the critical period, when the work gets too heavy for voluntary workers and a regular paid staff of Manager and Inspectors becomes necessary : and in the immediate future the bank will certainly have to consider this question. The appointment of a paid staff will not mean that the services of the present honorary workers will be any less appreciated : the paid staff will simply be under the orders of those gentlemen for disposing of routine work. The difficulty of surplus funds at a slack time of year has not yet arisen : and it is doubtful whether it ever will arise. For by getting in touch with other banks, the Bhargava and Allahabad, since the close of the year, it has practically insured its own position.

8. In Betul the season was unfavourable, and the societies generally had some difficulty in getting through the year. The capital of the Central Bank dropped slightly, from Rs. 17,865 to Rs. 17,370, owing to the withdrawal of one or two official members. The profits were Rs. 1,033 and the bank paid a dividend of  $7\frac{1}{2}$  per cent. Owing to poor crops several societies were unable to repay loans to the bank, and the latter was not in a position to finance its dependent societies fully several of them had to be assisted with takavi at the close of the preceding year. Only a small balance of takavi is now outstanding: and the bank should be in a position to finance all societies in the coming year.

9. Though we are now past the experimental stage, it is still impossible to state definitely that one particular type of Central Bank has by its success proved its peculiar suitability for all districts. The Kirnapur Society has so far worked well with purely local funds: but as I have noted above, its credit might be hard to prove to anybody outside the local money market. So long as all goes well, an association of small societies of this type has many points in its favour: as Mr. Standen remarked in the last report, it gives cheap money to the Rural Society. But if a Rural Society is small, as is desirable, and has low working expenses, it should always be able to get money cheap enough to lend to individual members at 12 per cent. This the Sehora organization allows: and in the Sehora type of bank there are many points to attract the confidence of the money market.

An obvious method for testing the security of any particular type of Bank or Society is to work out the probable result in case of one or more members defaulting. In a small Rural Society, say of 15 members, if one man absconds and the 14 have to repay his debt of Rs. 30 to the society, it is improbable that the dissolution of that society will follow: on the other hand, its position may become actually firmer; for the 14 remaining members have a new bond of sympathy, besides their original intimate knowledge of each other. But it is to be doubted if this happy result would follow the default of one society in a federation. More probably the result would be dissatisfaction, and an application from some member societies to amend their articles of association. When a case were brought home to them, the societies would probably complain that they never "intended" to go bail for other societies, though they subscribed to the rules which required that guarantee.

### Urban Banks.

10. The new Urban Bank at Baihar did not start work till after the close of the year. The Raipur official bank is still dormant: but in addition to those working last year, the Sironcha bank undertook some work. The capital in Sironcha is still too limited for the bank to expand its business. The working capital increased from Rs. 49,388 to Rs. 61,175 during the year. This capital has been raised as follows:—

			Rs.
Loans from Government	..	..	2,000
Other loans	...	...	15,689
Share capital	...	...	25,936
Members' deposits	...	...	17,550
			<hr/>
	Total	...	61,175

During the year Rs. 83,734 was granted in loans. Repayments amounted to Rs. 73,607: in all societies except Burhanpur the loans have been repaid with fair punctuality. Burhanpur is unfortunate in that a "singhast" year followed a poor crop: the members of the society are principally artizans, weavers of silk or manufacturers of embroidery, and at the present time the local demand for expensive wares is very slack. The society is trying to find a market elsewhere for its members: and if they can keep going for a few more months the situation

will probably improve, for the crops promise well, and the demand for fine clothing will increase after the harvest. There is however one unfavourable point in the working of several Urban Societies, and that is the failure to pay even interest on outstanding loans. This is a danger to which Urban Societies are peculiarly prone: the list of borrowing members is long; the spirit of co-operation is easily lost, and little pressure is put upon a debtor. Moreover in these Urban Banks the liability is generally limited: this rule is in my opinion sometimes undesirable, for it narrows the interest of the individuals. It follows that in Urban Societies the managing body must be extremely active: the simple work of a Rural Society containing 20 members will not suffice in a larger town society: the Committee of the latter must, if they are to avoid bad debts and poor bank credit, be always watching accounts and collections, and also discussing the bank affairs with members. I do not think that this point always receives sufficient attention: people are rightly ready to acknowledge the confidence that a co-operative body of 10 or 20 men can gain; but it is forgotten that the co-operative spirit, and power, is easily lost in a larger society even though it be registered under a Co-operative Credit Act. Though it is undesirable to multiply experiments there is one form of organization which might with advantage be tried in an Urban circle: that is, a number of small societies, each confined to a limited number of artisans of the same craft or family, and deriving funds from a small Central Bank or Union. This appears to me to be a method of ensuring the co-operative spirit, with its subsequent easy collection of debts: and, if all the small societies held a share as a member of the Central Bank, this system would probably eliminate to some extent the danger of idle capital.

I am aware that this scheme is open to adverse criticism in that it is elaborate, and entails the keeping of several small accounts, but the reply to that criticism is simply that without such elaboration of minute details and without organization of small societies under larger societies until some supreme society is able to command full attention in the money market, the movement is bound to fail, and fail very soon.

11. The Balaghat society has made progress in the encouragement of thrift; members have deposited savings to the extent of Rs. 1,487. In other cases deposits come from rich members; in the case of official societies they are compulsory.

12. The gross profits earned during the year amounted to Rs. 6,643; of this sum Rs. 5,927 is interest, paid on loans. The amount of interest outstanding on loans is Rs. 1,485; reasons have already been given for considering outstanding interest a dangerous matter in an Urban Bank. The interest on working capital varies generally between 6 per cent in Hatta and 8·3 per cent in Balaghat; the Burhanpur Bank is however an exception, for it earned only 4½ per cent. The low rate in Burhanpur is due, as before, to incomplete employment of capital on loans; in the report complaint is made that the capital will not meet the want of members, yet in reality the Committee, owing to the exceptional circumstances of the year, refrained from issuing loans, and carried as much as Rs. 800 to the Reserve Fund in a year when the gross profits were Rs. 1,158 only. It is trusted that better trade will soon alter the circumstances of the Burhanpur Society.

13. During the year Rs. 2,978 were carried to the Reserve Fund; the total of this fund was at the end of the year Rs. 3,464. This is now true reserve, for it includes sums which, though destined for the reserve, had been taken back into working capital by several societies.

14. The work done by these Urban Societies is most useful. In both, Balaghat and Betul, the banks are taking up the question of paying off members' old debts: in Balaghat Rs. 3,500 were advanced for this purpose. But there still remains a great deal to be learnt by the Managers of these Banks: hundi business is tempting, when capital is apparently idle; and the Hatta Bank is too ready to advance money on mortgage.

Co-operative credit work and general banking business are very different things and if the Committees do not know their members and the wants of those members completely the step to general business is very easily taken. At the present time I do not think there is any necessity in any society for any business that does not fall within the sphere of pure co-operative work; when hundis are taken up, or money lent frequently on mortgage a suspicion must always arise that the Committees are not fully satisfying the wants of members, and are probably ignorant of those wants.

### Rural Societies.

15. Of the 87 Rural Societies in existence at the end of the year, 2 in Jubbulpore were registered late and had no time for work, while 2 old societies in Akola had no transactions at all. In the Akola District there were altogether 4 societies which were practically dormant, though 2 of them showed some signs of activity at the end of the year. The Chanda societies did more work, and the business in that district is increasing.

16. The number of members increased from 2,881 to 3,942 during the year, and the working capital rose from Rs 79,300 to Rs. 90,000. All districts concerned contributed towards this increase; but the progress has been most marked in Jubbulpore and Balaghat. In Hoshangabad the Charwa Society is in an unsatisfactory condition: it is far too large, and the local Committees, instituted to advise the Managing Committee, are not working well. The position has been discussed with the Deputy Commissioner, and in the cold weather I intend to make a protracted tour in this tract with the object of re-organizing this society: in its present form it has no hope of success, and the lesson learnt already will no doubt make it possible to evolve a number of smaller societies with some central authority for provision of funds and inspection.

Some of the Betul Societies are of much the same type: they have however been more successful. But in Betul also there are unfavourable symptoms: in one large Society a serious defalcation is reported, the Secretary absconding with Rs. 410: and the report of that district makes no mention of the decentralization that is wanted. It is societies of this size which discuss so readily the questions of summary recovery of loans by the district staff, and the advantage, if not actual necessity, of takavi being a legitimate source of income. In Betul takavi was a necessity, because a year of depression intervened before the societies had established credit. There is no place for either takavi or summary methods of recovery in a real live Co-operative Credit Society: the necessity of either is simply proof that the Society is admittedly unable to work properly for the time being.

17. The working capital of the Rural Societies was constituted:—

		Rs.	a.	p.
Borrowed from Central Banks or Urban Societies	...	29,334	14	11
Borrowed from private persons, including Court of Wards	...	5,893	5	6
Share capital	...	31,047	0	0
Saving deposits by members	...	Nil.		
Government loans	...	4,300	0	0
Takavi	...	2,541	6	3
Transferred from reserve funds	...	204	5	2
Surplus credited to working capital	...	5,405	4	10
Deposits by members	...	11,291	4	1
Total	...	90,017	8	9

Loans advanced to members amounted to Rs. 68,628 against Rs. 80,133 in the preceding year.

Recoveries amounted to Rs. 61,993-3-6, this is less than the amount outstanding at the end of last year. These figures seem far from satisfactory: but in reality they are better than they look. A large excess of loans given over recoveries is reported from Jubbulpore, owing to the registration of several new societies late in the year. The figures are not good in Hoshangabad and Akola districts: in the former the Charwa Society has but small hold on its members, and in the latter district certain societies which were unable to get sufficient funds before the creation of the Central Bank could not press their members when the latter had to approach the saokars, once more, in a poor cotton year. In Betul the figures are good: but it should be remembered that the collections included large amounts of takavi advanced in the preceding year.

18. It is interesting to compare the turnover of capital in Rural and Urban Societies. In the latter the total of loans in the year largely exceeded the capital; in the former loans are much less. In Urban Societies the loans are for short terms, but it seems clear that the agricultural population requires money for a distinctly longer term than was at one time anticipated. A tenant does not seem to want money to carry on work simply from ploughing to harvest. At the present time the comparison may be to some extent artificial, but it is to be doubted if the position will ever change, for tenants are learning to hold up their produce till prices rise. This point is of some importance for it appears unnecessary to consider seriously the danger of idle capital in a Central Bank that finances societies in a rabi or kharif tract only, so far as that danger may arise from rapid repayment of sums lent to such societies.

19. Though no capital is provided by compulsory saving deposits, there is now a growing tendency on the part of members of many Rural Societies to leave their spare cash with the Society. In Balaghat the total under this head is increasing, and at Piparia the members are still refusing to take their dividends and spend them. Similar action is reported from several societies.

20. The profits this year on the working capital, exclusive of the Balaghat Societies, have a somewhat long range—from under 3 per cent in Jubbulpore to over 9 per cent in Saugor. In the case of Jubbulpore the rate is necessarily low, on account of the new societies having issued loans late in the year, and obtained no return on those loans before the year closed. As was the case last year, real profits are not so high as the nominal profit: in several societies there is too much interest outstanding. The rates of interest are about the same as before, and the few societies that have been lending to members at less than 12 per cent are all raising their rate to that figure. Apart from "philanthropical" loans at 5 per cent or under, Rural Societies generally pay between  $7\frac{1}{2}$  and 9 per cent for their funds.

21. Figures without explanation are often misleading, in the case of Rural Societies it has been seen that a satisfactory profit is returned from a small number of scattered societies working with far too little capital, while in Jubbulpore a comparatively large number of societies well managed and fully financed show a small profit in accounts during a particular year. In reality the condition of these societies, district by district, is almost in inverse ratio to the profits returned: the highest marks for prosperity and efficiency should be given to Jubbulpore Societies on the whole, though Balaghat Societies also have a high figure of merit. The efficiency of the Rural Societies in any particular tract depends entirely on the existence or absence of some larger society for the supply of funds. We are now long past the experimental stage, and it has been clearly proved that some organization—either a Central Bank or a Union of Societies—must exist in a tract if Rural Societies in that tract are to flourish. It is true that there are a few brilliant examples of small societies standing alone: in fact the Jubbulpore Societies might all be quoted as such examples, for they are not bound by rule to borrow from the Sehora Central Bank. But the general evidence is all on the other side: in Saugor the societies have too little capital, and would probably die a natural death unless they had sound official advice and assistance: in Akola some societies

grew tired of waiting for credit before the Central Bank was started : in the report from Betul takavi is mentioned as an ordinary necessity of life, though that district does possess a bank to finance Rural Societies : and in Hoshangabad the Charwa Society will never command sufficient credit until a number of smaller societies with a central authority have been evolved from the original. Apart from the question of finance, a Central Bank with a direct interest in Rural Societies has a great influence over the latter : instead of creating distrust in the mind of the local saakar it offers him a sound investment ; and internal discussions in a society are easily checked by the intervention of the bank to which that society owes money. It would be well if this necessity were considered in districts desirous of taking up the Rural Society question, as well as in all other tracts that possess Rural Societies only. But in formulating any proposal with this object it must be remembered that the less a Central Bank has to do with business other than financing registered societies, the better will it work : the necessity for starting general banking business has not yet arisen in these Provinces, and judging by present results there is little probability of that necessity arising. It must also be remembered that an unregistered Central Bank has little chance of obtaining good credit itself, and that such a bank is moreover a source of danger to the co-operative movement, if any connection between the two is suggested.

#### IV — RESERVE FUND.

22. Owing to the large demand for working capital, the addition to the Reserve Fund during the year was Rs 1,480 only. the total is now Rs 4,316. Last year the figures included some sums which had actually been withheld from reserve and issued as loans. that has now been corrected. This inclusion in working capital of what should go to the Reserve Fund is not of necessity evidence that a society is unable to obtain sufficient credit until a society has been working for some considerable time and has perfect organization there must always be some uncertainty of the exact amount that members will require in loans ; and for that reason the managing committee cannot always decide definitely what loans the society should itself negotiate until the time for actual allotment to members arrives. This uncertainty will disappear as the work settles down. One of the chief benefits obtained by Rural Societies from the existence of a Central Bank is ability to draw on a cheque the exact amount required by the Rural Society at the exact time that its members want funds.

#### V — AUDIT AND INSPECTION

23. Mr. Standen inspected the Balaghat, Burhanpur, Harda and Betul Urban Societies, the Sehora, and Betul Central Banks, and Rural Societies at Shahpur, Betul and Piparia. My own inspections refer to the current year. I may note that the work has been generally in connection with the extension of business in Jubbulpore, and the starting of the Central Bank at Akola.

All societies have been regularly inspected and their accounts audited by Mr. Misbahul Osman and the paid auditor was working during the last three months of the year. The accounts of all societies have been audited.

Some misunderstanding exists about the functions of the inspecting Registrar and auditor. I have heard it stated, by officials who at the same time confessed their ignorance of details of organization as well as of accepted principles of co-operative credit, that the chief obstacle to progress is the necessity for inspection and audit : it is urged that a Society must keep complicated accounts, and is always liable to be told that it is doing wrong account work by the Registrar or the auditor. To remove this misunderstanding I may be permitted to point out that at the present time the visits of any inspecting officer are not allowed to be irksome to the Society concerned. The auditor's work is practically instruction : if he finds accounts not written up fully, he has orders to do the work himself, explaining at the same time what he is doing : if he finds objections, his orders are that he must remove them so far as he can. No



copy of an audit note is to be sent to a rural society "for favour of compliance": larger banks alone will be given a copy of his remarks. After putting the accounts of a rural society in order, and recording any instructions that he has given in the inspection book, he will not trouble the society with further correspondence. In inspection by either the Registrar or his assistant the same simple procedure is observed so far as is possible: copies of remarks are, it is true, sent to the Deputy Commissioners concerned; but such correspondence for the sake of brevity does not include all that the Inspector has done: he has probably spent a day, sometimes several days, in informal discussion with members, finding out their difficulties and teaching them in very simple words the way out of those difficulties. The first object of inspection under the Act may be to ensure that no defalcation takes place, and that a Society makes full and legitimate use of its funds: that object is more easily achieved by instruction than by finding fault.

## VI.—RESOURCES.

24. The difficulty that an isolated Society finds in obtaining funds has already been indicated: the local saokar mistrusts it, if he does not actively oppose it; and enlightened malguzars who look upon such societies as a good investment are rare. Some rural societies, for example that of Keliveli, are managed by men in whom every acquaintance has implicit confidence: such societies can generally command loans locally, and at the same time attract plenty of deposits. But there are exceptional cases. On the other hand the Central Banks and Unions are rapidly proving their stability to the classes whose assistance was anticipated in the last annual report. Joint stock banks, under both European and native management, are now prepared to give loans to Central Banks on favourable terms, and at the same time individual members of money-lending firms of repute are showing both interest and confidence by placing sums in deposit with these banks. It is still reported occasionally that the average village money-lenders, and even the larger men, do not consider the movement worthy of opposition: but this impression prevails only in tracts where the early experimental societies have little vitality: in Jubbulpore, Balaghat and elsewhere the average respectable saokar is learning not only that the banks will flourish in spite of opposition, but that their use will afford him a sound income without personal trouble. It is a mistake to suppose that the object of Co-operative Credit Societies is firstly the abolition of the money-lender, and, secondly, the provision of cheap funds for a bankrupt tenant: it merely provides a system whereby the funds of the money-lender may never stagnate, but may find their way to the average tenant at reasonable interest at the particular time that he requires money. It is true that there is no place in the scheme for the small shark that trades with little capital and extorts exorbitant profits: there is ample room for the saokar of higher principles, and by the end of the current year the amounts placed at the disposal of the societies as genuine investments will be considerable.

Government funds during the year have been reserved for helping a Society in trouble. Last year it was remarked that Government funds can be legitimately used to help along a Society in its early days. But this assistance can easily be overdone: for the free application of Government money is easily misunderstood by local capitalists who may be induced to take a businesslike interest in the movement. When once a number of societies are established in a tract it is occasionally dangerous to provide Government funds for extension of the work in neighbouring villages. There is no necessity to force growth in a healthy plant: in this particular case the difficulty is to prevent the growth from spreading too quickly.

## VII.—WORK DONE BY SUPERVISORS, COMMITTEES, OFFICERS AND MEMBERS.

25. So long as the policy of keeping rural societies small is followed, there is no danger of all the power passing into the hands of the one literate man in the village. In a small society the Managing Committee and the society itself are almost synonymous: this is a most desirable feature, for every man will look after his own interests. The organisation of new societies in Jubbulpore

and Balaghat has been ably done by the gentlemen mentioned in the last report, in Jubbulpore Mr. Bishnu Dutt Shukla has got through a great deal of work; and Messrs. Gurudin Misra and Narad Prasad Pandey have also been of great assistance to Mr. Crosthwaite; in Balaghat R. B. Anant Lal, Extra-Assistant Commissioner, has enhanced his reputation as an able organiser, while R. B. Narayan Rao Kelkar, Mr. Mullna Munshi Ghulam Ahmed, Hari Patil of Mohara, and R. B. Seth Lamichand have devoted much time to the Societies in which they are interested. The work of the Akola Bank is largely in the future; but it is in capable hands, with R. B. Deorao Vinayek and Mr. Shamrao Raoji Khanzode to guide it. In Chandrapur Messrs. P. Krishniah Pantaloo and A. Ahreemutto Mudliar have done good work, though the venture is but small. Rural societies, not already mentioned, in capable hands are Keliveli, Risod and Piparia; at Keliveli in particular Mr. Suryabhan Janji deserves great credit.

The Burhanpur Urban Society owes a debt of gratitude to Seth Tikamdass for the interest taken in its affairs.

Other gentlemen have been named as deserving of praise in the district reports. The length of the list is due to the enthusiasm aroused by Messrs. Crosthwaite and Dewar among their fellow workers.

### VIII.—DISPUTES AND LITIGATION.

26. No suits were filed during the year.

### IX.—ACTS AND BYE-LAWS.

27. Two important additions to bye-laws have been already noted. The tendency to advocate legislation for summary recovery appears to be decreasing; the majority of our rural societies are small and loans are paid up well. One Urban Society has suggested a board of arbitration; but I do not consider that this is expedient; for the danger is not that members will deny the correctness of a society's claim, but may pretend inability to repay it. Contested cases, in which a claim is denied, may arise over mortgages, and for that reason such transactions are to be avoided. In pure cash loans to agriculturists or petty artisans disputes of fact must be very rare.

### X.—ATTITUDE OF THE PUBLIC, ETC.

28. Opinions offered about the present attitude of the public differ widely. When a movement is weak and artificial, as this must appear in any district at the outset, the general public are naturally apt to ignore it, or pass it by as a pleasing toy, not of this country. As the movement strengthens, its vitality alarms the local saohar, and rouses him and his friends to opposition: but at the same time other members of the public are attracted. In the final stage, the saohar acknowledges that the movement may be strong enough to help him, and it is certainly too strong for him to overthrow. All three stages are to be seen in the Provinces. Direct opposition is nowhere strong enough to injure a society seriously: in some villages they have languished through being drawn into village politics.

29. In conclusion I must apologize for the delay in submitting this report. One district report did not reach me till some days after my own report was due: and in most districts the preparation of the returns has involved some correspondence. Apart from variations in the figures of last year given now and 12 months ago, due to correction after audit, several returns contained figures which required explanation or correction: and it appears impossible to leave the preparation of these statements to societies concerned. This is a detail of official work, which may rightly be thought a burden on secretaries: and I recommend that in the future the statements be filled in by the district staff: one visit of a few minutes will generally suffice for this work, and will generally obviate some correspondence.

P. HEMINGWAY,

NAGPUR: }  
The 16th October 1909.

Registrar, Co-operative Credit Societies,  
Central Provinces.



# STATEMENT I.-A

GENERAL PROGRESS, 1908-09.

*Central Societies (lending to or dealing with other Societies only).*

District.	Kind of Society.	Number of Societies.		Number of Members.		Working Capital.		Remarks.
		At the beginning of the year.	At the end of the year.	At the beginning of the year.	At the end of the year.	At the beginning of the year.	At the end of the year.	
1	2	3	4	5	6	7	8	9
Balaghat	Cash—Unlimited liability	1	1	13	23	Rs. a. p. 5 157 0 0	Rs. a. p. 13 387 11 4	
Jubbulpore	Cash—Limited liability	1	1	27	31	6,979 13 0	13,876 0 0	
Betul	Do.	1	1	43	41	17,865 0 3	17,370 7 11½	
Chanda	Do.	1	1	11	21	2,915 0 0	3,025 0 0	
Alola	Do.	..	1	..	512	.	4,750 0 0	
Total	..	4	5	94	628	32,916 13 3	52,409 3 3½	



# STATEMENT III-A.

PROFIT AND LOSS ACCOUNT FROM 1ST JULY 1908 TO 30TH JUNE 1909.

*Central Societies (lending to or dealing with other Societies only).*

District or group.	Kind of Society.	Profit.				Loss.						Net profit + or loss—	Remarks.
		Interest earned.	Gross profit on sales of stock.	Other items.	Total.	Interest paid and due.	Establishment and contingent charges paid and due.	Debts written off.	Depreciation of stock.	Other items.	Total.		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Baleghat	Cash—Unlimited liability	Rs. a. p. 1,211 10 7	Rs. a. p. ...	Rs. a. p. 175 8 0	Rs. a. p. 1,387 2 7	Rs. a. p. 499 11 7	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 36 9 0	Rs. a. p. 526 4 7	Rs. a. p. +860 14 0	
Jabalpore	Cash—Limited liability	720 15 6	...	14 2 0	735 1 6	15 4 6	46 11 0	...	...	4 13 0	66 12 6	+668 5 0	
Betul	Do.	1,751 10 0	...	...	1,751 10 0	574 5 0	84 8 0	...	...	59 6 0	718 3 0	+1,033 7 0	
Chanda	Do.	227 2 11	...	8 0 0	235 2 11	...	2 0 0	...	...	...	2 0 0	+233 2 11	
Abela	Do.	13 6 4	...	...	13 6 4	...	49 0 6	...	...	...	49 0 6	-35 10 2	
	Total	3,924 13 4	...	197 10 0	4,122 7 4	1,089 5 1	182 3 6	...	...	90 12 0	1,362 4 7	+2,760 2 9	

## STATEMENT IV-A.

BALANCE SHEET AS AT 30TH JUNE 1909.

*Central Societies (lending to or dealing with other Societies only).*

District or Group.		Kind of Society.	Assets.										Loans from other societies.
			Cash in hand and bank.	Value of investments.	Loans due by members.	Loans due by other societies.	Interest due on columns 5 and 6.	Value of stock in hand.	Other items.	Total assets.	Loans from non-members.		
1	2	3	4	5	6	7	8	9	10	11	12		
Baleghat	Cash—Unlimited liability	Rs. a. p. 206 7 1	Rs. a. p. 706 13 5	Rs. a. p. 13,572 0 0	Rs. a. p. ...	Rs. a. p. 319 7 8	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 14,804 13 8	Rs. a. p. 8,928 14 4	Rs. a. p. 1,000 0 0		
Jabalpore	Cash—Limited liability	Rs. a. p. 5,096 0 10	Rs. a. p. ...	Rs. a. p. 9,483 5 2	Rs. a. p. ...	Rs. a. p. 217 3 3	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 14,736 9 3	Rs. a. p. ...	Rs. a. p. ...		
Patal	Do.	Rs. a. p. 1,845 13 5 1/2	Rs. a. p. ...	Rs. a. p. 16,000 0 0	Rs. a. p. ...	Rs. a. p. 1,087 14 0	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 18,983 11 5 1/2	Rs. a. p. ...	Rs. a. p. ...		
Ghandia	Do.	Rs. a. p. 39 1 7	Rs. a. p. 219 1 7	Rs. a. p. 380 0 0	Rs. a. p. 4,825 0 0	Rs. a. p. 24 11 8	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 3,487 14 10	Rs. a. p. ...	Rs. a. p. ...		
Alkola	Do.	Rs. a. p. 2,400 15 6	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 1,000 0 0	Rs. a. p. 13 6 4	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 4,274 5 10	Rs. a. p. ...	Rs. a. p. ...		
	Total	Rs. a. p. 10,888 6 5 1/2	Rs. a. p. 925 15 0	Rs. a. p. 13,952 0 0	Rs. a. p. 20,248 5 2	Rs. a. p. 1,663 10 11	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 56,677 5 6 1/2	Rs. a. p. 8,928 14 4	Rs. a. p. 1,000 0 0		

Liabilities.														
Interest due on loans in columns 11 and 12.	Loans from Government.	Interest due to Government.	Total of columns 11 to 15.	Share capital.	Deposits by members.	Interest due on members' deposits.	Dividends due to members.	Total due to members (column 17 to 20).	Establishment and contingent charges.	Other items.	Reserve fund.	Total liabilities.	Profit + and loss—.	Remarks.
13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Rs. a. p. 1,400 0 0	Rs. a. p. 11,496 10 4	Rs. a. p. ...	Rs. a. p. 11,496 10 4	Rs. a. p. ...	Rs. a. p. 1,958 13 0	Rs. a. p. 42 1 1	Rs. a. p. ...	Rs. a. p. 2,000 14 1	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 671 0 0	Rs. a. p. 14,172 8 5	Rs. a. p. +632 3 9	
Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 8,980 0 0	Rs. a. p. 4,806 0 0	Rs. a. p. 15 4 6	Rs. a. p. 125 3 0	Rs. a. p. 14,046 7 6	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 459 3 9	Rs. a. p. 14,505 11 3	Rs. a. p. +230 14 0	
Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 8,750 0 0	Rs. a. p. 2,620 7 11 1/2	Rs. a. p. 439 10 0	Rs. a. p. 756 0 0	Rs. a. p. 18,866 1 11 1/2	Rs. a. p. 72 0 0	Rs. a. p. ...	Rs. a. p. 219 1 7	Rs. a. p. 18,638 1 11 1/2	Rs. a. p. +295 9 6	
Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 3,025 0 0	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 3,025 0 0	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 219 1 7	Rs. a. p. 5,463 3 2	Rs. a. p. +24 11 8	
Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 3,670 0 0	Rs. a. p. 1,080 0 0	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 4,750 0 0	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. ...	Rs. a. p. 4,250 0 0	Rs. a. p. -25 10 2	
Rs. a. p. 1,400 0 0	Rs. a. p. 11,496 10 4	Rs. a. p. ...	Rs. a. p. 11,496 10 4	Rs. a. p. 24,425 0 0	Rs. a. p. 16,555 4 11 1/2	Rs. a. p. 496 15 7	Rs. a. p. 911 3 0	Rs. a. p. 41,588 7 6 1/2	Rs. a. p. 72 0 0	Rs. a. p. 219 1 7	Rs. a. p. 1,253 5 4	Rs. a. p. 55,529 8 9 1/2	Rs. a. p. +1,147 12 9	

**STATEMENT I-B.**  
**GENERAL PROGRESS.**  
*Urban Societies—(1908-09).*

District.	Kind of Society.	Number of Societies.		Number of Members.		Working Capital.		Remarks.
		At the beginning of the year.	At the end of the year.	At the beginning of the year.	At the end of the year.	A the beginning of the year.	At the end of the year.	
1	2	3	4	5	6	7	8	9
Hooshangabad	Cash--Limited liability	1	1	104	117	Rs. a. p. 13,331 7 0	Rs. a. p. 15,885 12 3	
Baleghat	Do.	2	3	333	415	15,693 3 2	20,795 8 0	
Betul	Do.	1	1	206	204	9,874 6 7	6,098 0 4	
Nimar	Do.	1	1	252	287	7,705 0 10	12,890 12 0	
Nagpur	Do.	1	1	172	208	2,784 0 0	5,575 12 8	
Raipur	Do.	1	1		No business done.		...	
Total		7	8	1,067	1,231	49,388 1 7	61,175 13 3	



## STATEMENT II-B.

RECEIPTS AND DISBURSEMENTS FROM 1ST JULY 1908 TO 30TH JUNE 1909.

Urban Societies.

16

Receipts.																	
District or group.	Kind of society.	Share payments.	Entrance fees.	Deposits by Members.			Loans from other sources.			Loans repaid by members.	Loans repaid by other societies.	Interest received.	Sale-proceeds of stock.	Other income.	Total income of year.	Opening balance.	Grand total receipts including the opening balance.
				Government.	Other societies.	Non-members.	Government.	Other societies.	Non-members.								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16		
Nongangabad	Cash—Limited liability	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	
	Do.	560 0 0	16 0 0	5,745 8 0	...	...	...	30,754 10 0	2,000 0 0	1,499 4 9	...	77 3 0	30,649 7 9	2,346 4 6	32,995 14 3		
	Bahaghat Do.	2,700 4 0	61 0 0	1,092 15 1	...	...	...	28,047 0 0	...	1,092 2 10	...	54 1 1	28,350 7 11	1,691 10 8	40,013 2 7		
	Batal Do.	175 0 0	21 0 0	5,292 12 0	...	...	...	2,741 4 1	1,000 0 0	1,026 4 54	...	3 6 9	16,094 14 44	668 3 04	16,763 4 48		
	Nagar Do.	...	...	3,613 4 8	...	...	...	7,365 0 0	...	888 4 1	...	10 0 0	11,807 8 1	1,305 3 6	12,113 1 7		
	Total	3,435 4 0	130 0 0	15,749 7 9	...	...	...	70,607 6 1	3,000 0 0	5,617 12 24	...	143 10 10	1,08,369 8 04	6,473 4 54	1,14,841 13 44		

Disbursements.															Remarks.	
Share capital withdrawn.	Deposits withdrawn.	Loans repaid to			Loans to members.	Loans to other societies.	Interest paid on loans and deposits.	Dividend and bonus paid.	Stock bought.	Establishment and contingencies.	Other items.	Carried to reserve.	Total expenditure.	Closing balance.		Grand total expenditure, including closing balance.
		Government.	Other societies.	Non-members.												
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
3,678 2 9	...	...	...	...	25,112 13 3	1,000 0 0	74 4 0	...	...	187 10 9	55 7 6	435 3 0	30,713 9 3	2,363 5 0	32,995 14 3	
800 0 0	...	...	...	...	34,419 8 6	...	576 6 4	...	40 0 0	145 5 10	11 11 9	1,300 0 0	39,657 0 5	304 2 1	40,013 2 7	
9,060 5 4	...	...	...	...	6,077 0 0	...	613 10 34	...	...	239 15 8	...	246 3 14	10,236 2 74	538 14 10	10,774 6 45	
821 8 0	...	...	...	...	9,005 0 0	...	150 0 0	96 3 2	...	294 7 6	...	800 0 0	54,177 14 8	3,674 3 7	58,851 18 5	
14,439 0 1	...	...	...	...	82,734 5 9	1,000 0 0	1,414 4 94	96 3 2	40 0 0	871 0 9	67 3 3	2,078 0 74	1,04,074 2 44	8,867 10 11	1,12,941 13 44	

# STATEMENT III-B.

PROFIT AND LOSS ACCOUNT FROM 1ST JULY 1908 TO 30TH JUNE 1909.

Urban Societies.

District or Group.	Kind of Society.	Profit.				Loss.						Net profit (+) or loss (-).	Remarks.
		Interest earned.	Gross profit on sales of stock.	Other items.	Total.	Interest paid and due.	Establishment and contingent charges paid and due.	Debts written off.	Depreciation of stock.	Other items.	Total.		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Hoshangabad ...	Cash—Limited liability ...	Rs. a. p. 1,462 2 6	..	Rs. a. p. 16 0 0	Rs. a. p. 1,478 2 6	Rs. a. p. 97 0 6	Rs. a. p. 187 10 9	..	..	..	Rs. a. p. 284 11 3	Rs. a. p. + 1,193 7 3	
Belaghat ...	Do.	.. 2,960 4 10	..	109 1 1	2,469 5 11	693 11 7	186 5 10	..	..	..	1,880 1 5	+ 1,589 4 6	
Betal ...	Do.	.. 983 0 5½	..	32 0 0	1,015 0 5½	456 1 1½	169 15 8	..	..	..	626 0 9½	+ 388 15 8½	
Nimar ...	Do.	.. 1,127 15 11	..	31 0 0	1,158 15 11	293 5 4	294 7 6	..	..	..	587 12 10	+ 571 3 2	
Nagpur ...	Do.	.. 521 12 1	..	..	521 12 1	..	74 11 5	..	..	..	74 11 5	+ 447 0 8	
	Total ...	6,455 3 9½	..	188 1 1	6,643 4 10½	1,340 2 6½	913 3 2	..	..	..	2,453 5 8½	+ 4,189 15 2½	

## STATEMENT IV-B.

BALANCE SHEET AS AT 30TH JUNE 1909.

## Urban Societies.

District or Group.	Kind of Society.	Assets.						Liabilities.					
		Cash in hand and bank.	Value of investments.	Loans due by members.	Loans due by other societies.	Interest due on columns 5 and 6.	Value of stock in hand.	Other items	Total.	Loans from non-members.	Loans from other societies.	Interest due on loans in columns 11 and 12.	Loans from Government.
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Washangabad Bilaspur Raipur Nagpur	Cash—Limited Liabilities	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs.	Rs. a. p.	Rs.	Rs.
	Do.	2,282 5 0	80 1 0	14,846 13 9	1,000	214 12 3	40 0 0	8 13 0	18,174 0 0	10,689	403 6 8	...	...
	Do.	385 2 2	1,400 0 0	20,632 8 6	...	558 15 1	4 2 6	5 9 0	24,155 6 9	...	...	...	...
	Do.	526 14 10	203 5 11	6,77 5 8	...	30 0 2	...	...	21,131 11 1	5,000	143 5 4	...	...
	Do.	2,098 15 4	800 0 0	10,796 8 0	...	661 14 10	...	...	14,562 15 2	...	...	...	...
...	Do.	1,117 6 9	2, 51 9 4	2,459 0 0	...	...	...	...	6,130 0 1	...	...	...	...
...	Total	6,410 12 1	5,987 0 3½	55,122 1 11	1,000	1,485 10 4	41 2 6	14 6 0	70,004 1 15	15,689	546 12 0	...	2,000

## Liabilities—(Contd.)

Interest due to Government.	Total of columns 11 to 15.	Share capital.	Deposits by members.	Interest due on members' deposits.	Dividends due to members.	Total due to members (columns 17 to 20).	Establishment and contingent charges.	Other items.	Reserve Fund.	Total liabilities.	Profit (+) and loss (-).	Remarks.
15	16	17	18	19	20	21	22	23	24	25	26	27
Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	
...	13,020 0 0	...	2,865 12 3	30 2 6	...	15,915 14 9	...	...	780 1 0	16,695 15 9	+ 1,438 0 3	
...	7,036 8 0	...	3,000 0 0	36 5 3	...	16,072 13 3	156 0 0	30 0 0	1,500 0 0	17,572 13 3	+ 1,304 2 10	
...	5,886 0 0	...	6,098 0 4	329 12 0½	342 0 7½	5,599 12 0	24 0 0	...	800 0 0	13,894 1 4	+ 528 13 10	
...	...	...	5,474 12 8	...	396 6 6	5,972 3 2	61 2 5	...	96 10 6	6,130 0 1	...	
...	18,235 12 0	25,036 8 0	17,550 5 3	595 3 9½	738 7 1½	44,621 8 2	241 2 5	30 0 0	3,464 14 7½	66,593 5 2½	+ 3,410 11 11	

**STATEMENT I-C.**  
**GENERAL PROGRESS.**  
*Rural Societies.*

Province.	Kind of Society.	Number of Societies.		Number of Members.		Working Capital.		Remarks.
		At the beginning of the year.	At the end of the year.	At the beginning of the year.	At the end of the year.	At the beginning of the year.	At the end of the year.	
1	2	3	4	5	6	7	8	9
Hoshangabad	Cash—Unlimited liability	5	5	398	402	10,002 9 9	11,256 2 3	
Jubbulpore	Do.	13	21	189	375	5,700 0 0	10,131 4 7	
Betul	Do.	10	10	1,398	1,893	48,489 9 11	48,840 15 3	
Sauger	Do.	3	3	71	71	2,216 15 3	2,311 1 11	
Abela	Do.	13	13	389	342	8,654 11 0	12,172 14 10	
Chanda	Do.	13	13	221	243	4,236 0 0	5,205 1 11	
Balaghat	Do.	12	22	255	616	Transactions were included in those of the Central Bank.		
	Total	69	87	2,881	3,942	79,899 13 11	90,017 8 9	

STATEMENT II-C.

RECEIPTS AND DISBURSEMENTS FROM 1ST JULY 1908 TO 30TH JUNE 1909.

Rural Societies.

District or Group.	Kind of Society	Receipts														Grand total receipts including the opening balance.
		Share pay- ments	Entrance fees	Deposits by members	Loans from other sources				Loans repaid by other members	Loans repaid by other Societies.	Interest received	Sale pro- ceeds of stock.	Other income	Total income of year	Opening balance	
					Government	Other Societies	Non members.									
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Kichangabud Bhatkote Batal Sangur Al. M. Chandia	Cash—Unlimited liability	50	5 0 0	285 0 0	1,000	1,000 0 0	341 12 0	8,548 4 6		909 8 9			0 13 6	12 141 6 9	1,558 13 9	13,694 4 6
	Do	2,065	45 0 0	575 0 0	9,389	7,330 10 8		3,311 11 3		5,700 8 9			50 10 3	21,666 13 3	4,091 4 0	21,756 13 0
	Do	120	23 0 0			5,030 0 0		47,437 6 0		149 7 5			4 8 6	6,090 9 0	4,091 4 0	6,753 3 0
	Do	140	19 8 0	1,828 0 0		1,000 0 0	2,305 0 0	7,218 8 0		339 0 0			204 5 2	13,672 12 0	1,451 11 3	15,079 11 3
	Do	60	11 0 0	180 0 0		2,825 0 0		4,533 0 0		339 0 0			204 5 2	7,919 5 11	7 12 0	7,920 3 8
	Total	2,325	345 8 0	3,219 12 0	10,389	20,425 10 8	2,706 12 0	61,903 5 6		8,228 5 10			205 5 5	1,10,29 8 5	7,632 11 11	1,18,362 4 4

Disbursements																
Share capital withdrawn	Deposits withdrawn	Loans repaid to			Loans to other Societies	Loans to members	Interest paid on loans and deposits	Dividend and bonus paid	Stock bought	Establishment and contingencies	Other items	Carried to reserve	Total expenditure	Closing balance	Grand total expenditure including closing balance.	Remarks.
		Government	Other Societies	Non members												
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
10	685	..	1,000 0 0	3 4 0	9,603 0 0	..	184 14 9	80 0 0	..	149 15 6	16 14 0	395 7 6	12 075 1 9	1,619 2 9	13,694 4 6	
75	745	13,247 9 9	9,091 8 0	1,000 0 0	7,300 0 0	..	2,119 13 8	963 1 3	..	472 11 6	130 8 10	557 14 6	63,906 4 3	4,287 8 9	66,733 13 0	
..	950	..	..	1,100 0 0	10,306 0 0	..	72 12 0	89 7 3	..	272 3 0	65 0 0	267 1 11	931 13 0	203 10 11	1,107 7 11	
..	..	..	2,305 0 0	..	5,115 0 0	..	701 4 7	..	..	0 7 0	..	204 5 2	13,147 14 5	1,931 12 10	15,079 11 3	
85	2,330	13,247 9 9	15,681 3 0	2,477 4 9	66,688 15 10	..	3,564 15 8	937 8 6	..	680 13 3	215 0 10	1,480 13 1	1,09,430 4 8	8,021 15 8	1,18,362 4 4	

## STATEMENT III-C.

## PROFIT AND LOSS ACCOUNT FROM 1ST JULY 1908 TO 30TH JUNE 1909.

*Rural Societies.*

District or Group	Kind of Society.	Profit				Loss						Net profit+or loss—	Remarks
		Interest earned	Gross profit on sales of stock	Other items	Total	Interest paid and due	Establish- ment and contingent charges paid and due	Debts written off	Depreciation of stock.	Other items	Total.		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Hoshangabad	Cash—Unlimited liability.	Rs. a p 1,148 12 5	Rs a. p. ...	Rs a p 5 13 6	Rs a p 1,154 9 11	Rs. a. p 205 7 11	Rs a. p 144 15 6	Rs a p ..	Rs a. p ...	Rs a. p 16 12 0	Rs a p. 367 3 5	Rs. a. p. + 787 6 6	
Jabalpore	Do.	1,029 15 10	...	45 0 0	1,074 15 10	779 15 11	8 3 9	...	...	...	788 3 8	+ 286 12 2	
Betal	Do.	5,992 12 1	..	316 1 3	6,308 13 4	2,202 1 10	695 3 3	...	...	194 6 10	3,181 11 11	+ 3,127 1 5	
Sangor	Do.	321 14 11	...	5 8 6	327 7 5	70 7 9	35 4 6	...	...	...	105 12 3	+ 221 11 2	
Akola	Do	875 6 10	...	18 8 0	893 14 10	283 4 11	22 6 6	...	...	...	305 11 5	+ 588 3 5	
Chanda	Do.	420 0 11	...	11 0 0	431 0 11	221 0 7	0 7 0	...	...	..	221 7 7	+ 209 9 4	
	Total	9,788 15 0	...	401 15 3	10,190 14	3,882 6 11	906 8 6	...	...	211 2 10	4,970 2 3	+ 5,220 12 0	

BALANCE SHEET AS AT 30TH JUNE 1909

[illegible]

Liabilities.													Profit or loss—
Interest due on loans in columns 11 and 12.	Loans from Government.	Interest due to Government.	Total of columns 11 to 15	Share capital.	Deposits by members.	Interest due on deposits.	Dividends due to members.	Total due to (columns 17 to 20).	Establishment and contingent charges.	Other items.	Reserve fund.	Total liabilities.	
33	14	15	16	17	18	19	20	21	22	23	24	25	26
Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
4 25 5 63 7 0 428 15 9 30 12 0	Rs. 7000 0 0 ... 6 3 ... 0 0	59 1 1 ... 9 3 ... ..	5,219 10 0 9,895 1 2 20,90 15 3 2,460 12 0	4,695 0 0 22,84 0 0 ... 392 0 0	896 0 0 2,235 10 0 2,235 0 0 355 0 0	6 12 5 124 3 0 16 5 3	... 1,181 7 5 ...	5,577 12 5 50 10 0 26,870 10 5 663 5 3	8 2 0 ... 314 11 6 15 0 0	2 0 0 ... 31 7 0 2 12 0	1436 9 7 50 0 0 1,662 4 9 ...	12,844 2 9 10,001 12 2 49,800 0 11 2,681 13 3	+985 8 3 +285 11 11 +1,122 0 15 +137 20 11
60 7 6 53 4 5 ...	...	...	2,415 7 6 2,248 4 5 ...	1,870 0 0 1,870 0 0 ...	6,404 9 1 780 0 0 ...	28 9 6 ... ...	... ... ...	8,458 2 2 2,002 0 0 ...	0 12 0 ... ...	25 0 0 ... ...	966 12 8 204 5 2 ...	13,021 3 9 5,286 14 9 ...	+656 10 +215 13 1 ...
640 14 1	6,541 6 3	469 10 4	43,180 3 1	31,047 0 0	11,291 4 1	225 14 2	1,181 7 5	43,745 9 8	338 9 6	315 8 2	4,210 1 2	98,895 15 7	6,121 22 11







